

13 May 1987

TO:

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FROM:

RE: Fate of the Lump-Sum Option - Telephone conversation with
of OCA/Congressional LiaisonSTAT
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called to report that he had talked with two staffers, one from the Senate and one from the House. He believes the characterization in the Federal Times is inaccurate in that both people he talked to believe the funding could remain in and they are at least "leaning toward optimism" that it will survive. said he is "guardedly optimistic."

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As explained it, the Senate Budget Committee (SBC) mandated savings by the Senate Government Affairs Committee but made it clear it wouldn't dictate how to achieve the savings. On the House side, the Post Office and Civil Service Committee has been told to save \$700 million.

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On the House side, Chairman Ford STRONGLY favors the lump-sum and will fight to keep it in, viewing it as an offset for elimination of the 3 yr recovery rule. There is also support for the lump-sum on the Senate side and his contact doubts they'll repeal it; however, support in the Senate is not as strong as in the House, ~~however~~. Roth meanwhile is pushing his "early out" bill as a budget-cutting device.

The federal employee budget will be going to a reconciliation conference. There seems to be a difference of opinion on when it will start. Senate contact says it may be weeks and might not be completed by the end of the fiscal year. His House contact thinks it's going to go to conference soon.

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